

**701—28.2(423) Processing of property defined.** “Processing of property” is defined to include:

**28.2(1)** Personal property which forms an integral or component part of the manufactured product which is intended to be sold ultimately at retail.

**28.2(2)** Property which is consumed as fuel in creating power, heat or steam for processing, including grain drying or generating electric current, or consumed in implements of husbandry engaged in agricultural production.

**28.2(3)** Property consisting of chemicals, solvents, sorbents or reagents which are directly used, consumed or dissipated in processing personal property which is intended to be sold ultimately at retail, even though such property does not become a component or integral part of the finished product. This ordinarily does not include any item of machinery, tools or equipment.